

Turn Regulations to Your Advantage

The 1960s and 1970s was an era of environmental regulation that added significant costs to businesses, and particularly to manufacturers. The objectives to protect the environment were and continue to be appropriate, but the regulatory methods resulted in expensive pollution control technology.

The pollution control strategies put forth in response to regulation treated wastes after they had been generated. There are two major problems with this strategy. First, the business had already suffered the costs of wasting resources before the waste is treated and disposed. Second, pollution control strategies often transferred the pollutants from one medium to another. For example, scrubbers on smokestacks remove pollutants from the air only to be deposited on the land as a solid or hazardous waste.

But what if waste could be eliminated in the first place? What if the waste wasn't generated, or the amount or toxicity of waste was reduced? Businesses that solve this challenge have a win-win situation. The costs of wasted resources are eliminated **and** the costs of pollution control is eliminated. In fact, it is likely that a number of other hidden costs related to waste generation and management would also be eliminated.

For example, a Tennessee dry cleaner found that by converting to new dry-to-dry technology, the efficiency of using the cleaning solvents was increased by over 400 percent, and the amount of solvent-related waste generated was reduced. This new technology was purchased in response to new Clean Air Act regulations. The resulting savings per month pays most of the loan cost in the short run and in the long run reduces the overall costs of the dry cleaning service. The business will ultimately improve its profitability and its competitive pricing. A side benefit is improved worker safety and health through less exposure to toxic chemicals.

The best way to beat regulations is to accept the challenge to innovate ways to meet them. In so doing you may well reduce or eliminate your regulatory burden. If you would like to explore your options, contact your Small Business Development Center office, Business Agent, or your County Extension office for more information.